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of the class interest and capacity for sustained logical assault on difficulties to carry these artificially created men, markets and competitive conditions through seven chapters and three stages of reasoning. Such hypothetical reasoning smacks of the philosopher and the study rather than of the economist, the factory, and the market place. Will not a mastery of economic principles similar to that of the student in physics and chemistry be best acquired by similarly concrete realistic methods? The "abstract principles" of our subject are based on the facts of industry, not on philosophical abstractions and assumptions. And they are most useful when this essential relation is positively presented throughout the introductory course. Only through this method of approach do they become usable guides to conduct for the business man and the citizen in the turmoil of industrial and political life.

There are numerous, rather elaborate diagrams which do not illustrate actual industrial conditions, but are helpful through analogy, if at all. Extensive use is made of problems and examples for student solution. These are frequently inserted in the chapters. They are obviously very carefully considered and selected and make up quite the best collection the writer has examined. Frequently, however, he has felt doubtful as to the possibility of their solution on the basis of the matter previously presented. Seemingly, the intent is to arouse the student's interest in further difficulties as well as sustain and clarify his attack on present problems.

Throughout the book there is a sturdy, sustained and effective attack on persistent, current economic fallacies to which every war-worn teacher of elementary economics will give ungrudging praise. If we could throw down and obliterate these hoary "old men of the sea," our efforts would be justified. If this book carries out its promise in aiding that endeavor, the labor expended on its development will be deemed well spent.

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NEW BOOKS

AMOROSO, L. *Lezioni di economie matematica*. (Bologna: Zanichelli. 1921. Pp. 472.)

———. *Lezioni di matematica finanziaria, raccolte della Professóra Emma Sciolette*. Vol. I. (Naples: Gennaro Mago. 1921. Pp. 208.)

ARNDT, P. *Wie studiert man Nationalökonomie?* (Frankfurt a. M.: Blazek & Bergmann. 1921. Pp. 28.)

BASTIAT, F. *Economic sophisms*. Translated by P. J. STIRLING. (New York: Putnam. 1921. Pp. xii, 230. \$1.75.)

VON BÖHM-BAWERK, E. *Kapital und Kapitalzins*. Three vols. Fourth edition (Jena: Fischer. 1921.)

CARVER, T. N. *Principles of national economy*. (Boston: Ginn. 1921. Pp. vi, 773. \$3.00.)

This is an amplification of Professor Carver's *Principles of Political Economy* reviewed in the December, 1919, issue of this REVIEW, pages 796-797. Together with *Elementary Economics* reviewed in the June issue, 1921, pages 274-277, it comprises a series of texts the general content and philosophy of which are alike. As compared with the text first mentioned, the present volume is divided into the same eight parts and, except in parts one and two, the chapter headings are generally identical. There are additional chapters on taxation: The shifting of taxation and the minimum sacrifice theory of taxation based on previously published papers of the author, and the concluding chapters include labor programs and the limits of state interference. The substance of the first will be familiar to followers of Professor Carver's writings.

Other changes are confined to amplification of previous discussions or a presentation of later developments. Examples are found in a complimentary reference to the eighteenth amendment, in an enlarged discussion of the functioning of the federal farm loan system, and in the favorable consideration of our restrictive immigration policy. Key chapters such as: The balancing of the factors of production; The battle of the standards; and Constructive liberalism suffer no significant changes. A few critically evaluated titles for collateral reading follow each part.

C. E. P.

FRADENBURGH, A. G. *Elements of economics*. (New York: Scribner's. 1921. Pp. xvi, 364.)

FRANKLIN, H. G. *The economics of laissez faire. A new exposition of the present economic régime*. Part I. (Buffalo, N. Y.: Author. 1920. Pp. 164.)

The author of this tiny sexto-decimo volume sets before himself two tasks: (1) to add to our knowledge of the causes of the cycles of alternate prosperity and depression; and (2) to contribute to current theories of distribution. The first of these tasks is performed in a way that is interesting and suggestive, though quite unsupported—in this volume at least—by any statistical evidence. The second of these tasks is to demonstrate the error of the marginal-productivity theories of wages and interest. In the latter part of his book he thus deviates far from the orthodox economics which most of us accept.

The portion of the book likely to prove of greatest value, to orthodox economists at least, consists of chapters 2 and 3. In these the author ascribes industrial depressions to the increase of industrial equipment at a rate greater than the increase of labor supply. The financing of the construction of this excessive equipment by bank-loans instead of by individual or corporate savings from income leads to price increases and ultimately to panics. The author's method of explaining why the prices of goods rise more than wages will prove to be a genuine contribution, if verified.

The book as a whole represents an effort to analyze the demand side of economic phenomena. It is, therefore, unfortunate that the author's

apparent unfamiliarity with economic literature and method should have led him into errors that are both so numerous and so glaring. The obviousness of these various incidental errors is likely to prevent the essay from receiving the attention which it otherwise merits.

DONALD S. TUCKER.

- GIDE, C. *Premières notions d'économie politique*. (Paris: Michel. 1921. Pp. 185.)
- GOUGH, G. W. *Wealth and work*. (London: Philip. 1921. Pp. 260.)
- DE GREEF, G. *L'économie sociale d'après la méthode historique et au point de vue sociologique*. (Brussels: Office de Publicité. 1921. Pp. 534. 30 fr.)
- HAYES, H. G. *Problems and exercises to accompany Clay's "Economics for the general reader," and Ely's "Outlines of economics."* (New York: Macmillan. 1921. Pp. x, 67. 50c.)
- The problems were prepared for the use of students at Ohio State University. The arrangement follows the order of assignment in the two books.
- HECHT, J. S. *The real wealth of nations*. (Yonkers-on-Hudson, N. Y.: World Book Co. 1921. Pp. x, 350. \$2.40.)
- HELLER, W. *Die Grundprobleme der theoretischen Volkswirtschaftslehre*. (Leipzig: Quelle & Meyer. 1921. Pp. 104.)
- JAHN, G. *Grundzüge der Volkswirtschaftslehre*. (Leipzig: Teubner. 1921. Pp. 123. 6.10 M.)
- LEWINSKI, J. S. *The founders of political economy*. (London: King. 1921.)
- LEWIS, P. G. *Scientific economics, establishing the sciences of money, human labor and industrialization for social progress*. (Milwaukee: Pabst Pub. Co. 1921. Pp. 107.)
- MACIVER, R. M. *The elements of social science*. (New York: Dutton. Pp. vi, 186. 1921. \$2.50.)
- MICHEL, R. *La théorie de Marx de la misère croissante*. (Turin: Bocca, 1922. Pp. 244.)
- MUHS, K. *Materielle und psychische Wirtschaftsauffassung*. (Jena: Gustav Fischer. 1921. Pp. iv, 96. 12 M.)
- MÜLLER, O. *Die Entwicklung der Volkswirtschaft*. (Munich: Volksvereins-Verlag. 1921. Pp. 104. 7 M.)
- PARETO, V. *Lezioni di scienza economica razionale e sperimentale*. (Rovigo: Industrie Grafiche. 1921. Pp. 907.)
- PARK, R. E. and BURGESS, E. W. *Introduction to the science of sociology*. (Chicago: Univ. of Chicago Press. 1921. Pp. xxi, 1040. \$4.50.)
- PENSON, H. *The economics of everyday life*. Part II. (Cambridge, Eng.: Univ. Press. 1921. Pp. 111. 4s.)
- PIGOU, A. C. *The political economy of war*. (New York: Macmillan. 1921. Pp. ix, 251. \$3.25.)
- PRALL, D. W. *A study in the theory of value*. (Berkeley, Cal.: Univ. of California. 1921. Pp. 290. \$1.25.)

ROE, F. W. *The social philosophy of Carlyle and Ruskin*. (New York: Harcourt. 1921. Pp. vii, 335. \$3.)

ROSCHER, W. *Economie industrielle*. Vol. II. Translated into French by P. HALLIER. Eighth edition. (Paris: Giard. 1921. Pp. 497. 22 fr.)

New paragraphs and notes were added to Roscher's original text in the seventh edition (1899), but in the eighth edition the work of revision was carried much farther. The paragraphs of Roscher's text have been altered, and, in some instances, practically rewritten in order to bring them into harmony with current thought and legislation. The new paragraphs of the preceding edition have been substantially expanded. There seem to be no additions to the German text of 1913 in the present edition.

A. P. USHER.

SCHMIDT, M. *Grundriss der ethnologischen Volkswirtschaftslehre*. Vol. I, *Die soziale Organisation der menschlichen Wirtschaft*. Vol. II, *Der soziale Wirtschaftsprozess der Menschheit*. (Stuttgart: Ferdinand Enke. 1921. Pp. viii, 222; viii, 226.)

SELIGMAN, E. R. A. *Principles of economics*. Ninth edition revised. (New York: Longmans. 1921. Pp. 711. \$3.)

SIMPSON, K. *Economics for the accountant*. (New York: Appleton. 1921. Pp. xi, 206. \$2.)

SMITH, A. *Wealth of nations*. Introduction by WILLIAM ROBERT SCOTT. Two vols. (London: Bell. 12s.)

SOMMARIN E. *Teoretisk Nationalekonomi*. (Lund: Gebers Förlag. Pp. x, 186.)

SPANN, O. *Fundament der Volkswirtschaftslehre*. Second edition revised. (Jena: Fischer. 1921. Pp. xvi, 372.)

TAUSSIG, F. W. *Principles of economics*. Vol. I. Third edition revised. (New York: Macmillan. 1921. Pp. xxiii, 545.)

The most important changes in this revision "are those necessitated or suggested by the events of the Great War. The treatment of the banking system of the United States has been entirely rewritten in view of the great and rapid changes that took place during its course. That of paper money has been extended so as to include an account of the war issues." In this rewriting, the chapter on "Some problems of legislation in banking" has been omitted, though sections from it find place elsewhere. Sections have been omitted in the discussions of bimetallism and in the description of foreign currencies. A new chapter at the close of Book III, Proposals for monetary reform, discusses in turn: the multiple standard; control of prices through the alternate expansion and contraction of government paper currency; and the stabilized dollar, with conclusions adverse to each, mainly on the basis of the unpredictability of the results, popular misunderstanding and the resulting danger of ill-advised political action, and the additional uncertainties which such schemes would inject into domestic and international business relations. The final statement reads that the simple gold standard "is not a perfect arrangement; but it is the best workable one that is available."

There is new terminology in the discussion of market value and in the treatment of value and marginal utility. The phrase "marginal vendibility" is introduced since "the common formulation by economists that

price depends on marginal utility tacitly ignores the effects of inequality. The term "vendibility" points to the dominant position of the price at which the last item is sold, and makes no implication concerning the satisfactions secured by the person who pays this price" (p. 123). In the discussion of elasticity and inelasticity of demand, the phrase "elasticity of demand is unity" is applied to the case in which the total spent for a commodity remains unaltered irrespective of price changes. The increased precision of statement thus made possible will be welcomed by all users of the text. C. E. P.

WEBER, M. *Grundriss der Sozialökonomik*. III. Abt. I *Die Wirtschaft und die gesellschaftlichen Ordnungen und Mächte*. (Tübingen: Mohr. 1921. Pp. viii, 180. 26.40 M.)

WORMS, R. *La sociologie: sa nature, son contenu, ses attachés*. (Paris: Giard. 1921. Pp. 164. 5 fr.)

Political Economy Club founded in London, 1821: Centenary volume. (London: Macmillan. 1921. 21s.)

Der wirtschaftliche Wiederaufbau. (Berlin: K. Block. 1921. 90 M.)

Economic History and Geography

Il Fallimento della Politica Annonaria. By UMBERTO RICCI. (Florence: "La Voce." 1921. Pp. 493.)

Among the books which look back upon the period of the war and seek to assess the policies and conduct of those in charge of our governments, this work may take today an important place. Whether its moral was or was not in the author's mind before he undertook his study—its critics would surely say that it was—the book collects and interprets so many precise data of a significant sort that it may fairly claim to be reckoned with.

First discarding popular explanations of the cause of high prices, the author points to the increased issue of paper money in Italy and the reduced store of commodities, covering familiar ground in describing their evil effects. He then sets about to dissect unsparingly the powers of both national and provincial governments for remedying a situation for which he regards the national government as largely to blame. The provincial governments, when they forbade exportation of various goods to other provinces, brought about a waste of goods and reduced the utility to be derived therefrom. When the central government granted favors to consumers' coöperatives, which were trying to fight the middlemen, it indicated its preference for inexpert as against expert management. In general, every act of interference by the state soon had to be followed by more interference. Every enforced reduction in the price of an article tended to increase the consumption of it directly or indirectly and to decrease the production of it.